

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

IN RE:)	
	)	Chapter 7
JOHN T. LI,	)	Case No. 16-24660
	)	Hon. Timothy A. Barnes
	)	Hearing Date: Tues., Aug. 7, 2018
Debtor.	)	@ 10:30 a.m.

NOTICE OF MOTION

PLEASE TAKE NOTICE that **Tuesday, August 7, 2018 at 10:30 a.m.**, or as soon thereafter as may be possible, we shall appear before the Honorable Timothy A. Barnes or any other Judge sitting in his stead, in **Courtroom 744**, of the Dirksen Federal Building, 219 South Dearborn, in Chicago, Illinois, and shall then and there present the attached **Application of Trustee's Attorneys for the Allowance of Final Compensation and Reimbursement of Expenses**, a copy of which is hereby served upon you.

/s/ Norman B. Newman
Norman B. Newman, Trustee for the bankruptcy estate
of John T. Li

Norman B. Newman, ARDC No. 02045427
MUCH SHELIST, P.C.
191 North Wacker Drive, Suite 1800
Chicago, Illinois 60606
Telephone: 312.521.2000
Facsimile: 312.521.2100

CERTIFICATE OF SERVICE

Norman B. Newman, an attorney, hereby certifies that on July 16, 2018, he electronically filed this Application for Compensation with the Clerk of the Court via the Court's CM/ECF system which will send electronic notification to those individual registered to receive notice.

/s/Norman B. Newman

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE:)	
	)	Chapter 7
JOHN T. LI,	)	Case No. 16-24660
	)	Hon. Timothy A. Barnes
	)	Hearing Date: Tues., 8/7/18 @ 10:30 a.m.
Debtor.)	

**APPLICATION OF TRUSTEE’S ATTORNEYS FOR THE ALLOWANCE OF FINAL
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Much Shelist, P.C. (“Much Shelist”), attorneys for Norman B. Newman, not individually but solely as the Chapter 7 Trustee herein, (the "Trustee") moves this Court, pursuant to Section 330 of the Bankruptcy Code and Bankruptcy Rule 2016, for the allowance of final compensation and reimbursement of expenses for services rendered during the period September 27, 2016 through June 12, 2018. In support of this application, Much Shelist states as follows:

1. On August 1, 2016, the Debtor filed his petition for relief under Chapter 7 of the Bankruptcy Code.
2. On October 5, 2016, this Court entered an Order authorizing the Trustee to employ Much Shelist as his attorneys in this case. This application includes legal services rendered by the Trustee. Mr. Newman has taken care to distinguish his legal services from his Trustee services. Attached hereto as Exhibit “A” is an itemization of Mr. Newman’s Trustee services. Much Shelist is not seeking compensation for the services identified on Exhibit “A” as part of this Application. Mr. Newman is filing a separate Application for Trustee Compensation.
3. Other than as permitted under Section 504 of the Bankruptcy Code, Much Shelist has no agreement with any person or firm whatsoever with regard to its compensation in this

case. To date, Much Shelist has not received any compensation for services rendered as attorneys for the Trustee.

4 Much Shelist is entitled to receive final compensation in the amount of \$19,814.00 plus reimbursement of expenses in the amount of \$367.10 for services rendered during the period of September 27, 2016 through June 12, 2018.

5. Much Shelist provided 31.50 hours of services on behalf of the Trustee during the time period covered by this application.

6. The following is a summary of time expended, by individual, during the time period covered by this application. The summary below references their rates during the applicable time period.

Attorney	Hours Expended	Hourly Rate	Amount
Norman B. Newman	6.20 hrs.	\$640.00/hr.	\$3,968.00
Norman B. Newman	18.00 hrs.	\$655.00/hr.	11,790.00
Jeffrey M. Schwartz	4.90 hrs.	\$600.00/hr.	2,940.00
Jeffrey L. Gansberg	2.40 hrs.	\$465.00/hr.	1,116.00
TOTAL	31.50 hrs.		\$19,814.00

7. Attached hereto as Exhibit "B" is a statement of legal services rendered. The services are listed chronologically and are separated by activity. The services were rendered in connection with and in furtherance of assisting the Trustee in the performance of his duties as delineated by §704 of the Bankruptcy Code. This application complies with the standards enunciated in *In re Continental Securities Litigation*, 572 F. Supp. 931 (N.D. Ill. 1983) modified 692 F.2d 766 (7th Cir. 1992).

8. At all times relevant hereto, Much Shelist provided legal services in the most efficient and cost effective manner. Much Shelist's goal was to obtain a positive resolution of the matter at hand, while in the process minimizing the costs to the estate. As more fully detailed in

the statement of services attached hereto as Exhibit “B”, Much Shelist provided services with respect to the following matters:

A. General Administration (Tab No. 1): Much Shelist provided 1.10 hours of general administrative services to the Trustee. At the Section 341 meeting held in this case, the Trustee discovered that the Debtor held a 50% membership interest in two Illinois Limited Liability Companies, JTL Properties, LLC and JTL2 Properties LLC (the “LLCs”). The LLCs owned, in the aggregate, three parcels of real estate. The remaining 50% membership interest were held, in the aggregate, by James Li and Teresa Li, the Debtor’s brother and sister-in-law (the “Li’s”). Counsel reviewed documents relating to Debtor’s membership interest in the LLCs, including operating agreements, leases and loan documents. Much Shelist discussed with the Li’s the possibility of the LLCs employing a real estate broker to sell the real estate owned by the LLCs. As an alternative, the Trustee also discussed selling the Debtor’s membership interest in the LLCs to the Li’s. Time was also spent communicating with counsel for the Debtor regarding adding additional creditors to the Debtor’s Schedules and obtaining a status update on the sale of the LLC membership interests.

The individual who provided services in connection with the General Administration and the time expended by him is as follows:

Attorney	Hours	Rate	Total
Norman B. Newman	1.10 hrs.	\$640.00/hr.	\$704.00
Total:	1.10 hrs.		\$740.00

B. Retention of Professionals (Tab No. 2): Much Shelist expended 7.00 hours in connection with the retention of professionals. Counsel engaged in telephonic and written communications with the Li’s and two real estate brokers, Frontline Real Estate Partners and

Keller Williams. Time was spent reviewing and revising the Brokers' listing agreements to sell the real estate owned by the LLCs. Much Shelist expended time on the preparation of pleadings and appearances in Court on the Trustee's Motion to Employ Attorneys and the Trustee's Motion to Employ Accountants. Much Shelist attorneys communicated with the Trustee's accountant with respect to the preparation of its engagement letter and affidavit.

The individuals who provided services in connection with this matter and the time expended by them are as follows:

Attorney	Hours	Rate	Total
Norman B. Newman	3.60 hrs.	\$640.00/hr.	\$2,304.00
Norman B. Newman	2.60 hrs.	\$655.00/hr.	1,703.00
Jeffrey L. Gansberg	.80 hrs.	\$465.00/hr.	372.00
TOTAL	7.00 hrs.		\$4,379.00

C. Disposition of Assets (Tab No. 3): Much Shelist expended 20.10 hours in connection with the disposition of assets. As previously mentioned, the LLCs owned three parcels of real estate. Through the efforts of Frontline Real Estate Partners, the LLCs' real estate broker, an offer was received on one of the three parcels of property. Much Shelist reviewed the operating agreements for the LLC which owned the subject property, existing leases on the property, as well as a proposed contract and provided suggested revisions to same. In addition, counsel communicated with all parties involved with the pending sale and the status of required mortgage contingencies. Time was spent drafting a motion for authority to implement a sale of real estate. Before the motion could be heard by the Court, the buyer's attorney notified the Trustee that the buyer could not obtain requisite financing resulting in the termination of the contract. Counsel prepared a notice of withdrawal for the pending motion and communicated with the real estate broker to return the earnest money.

Shortly thereafter, counsel for the Trustee received an expression of interest from Cash for Interests, LLC to purchase the Debtor's LLC membership interests. Time was spent reviewing and drafting a non-disclosure agreement, reviewing operating agreements and tax returns of the LLC. Counsel communicated extensively with the Li's real estate attorney and the Li's regarding numerous mortgage contingencies that needed to be addressed and communicated with the Mortgage Holder Bank's attorney regarding the outstanding loans on each of the properties and the Bank's position as to sale proceeds. Once again, the contract was cancelled.

After a year of efforts to sell the real estate owned by the LLCs the Trustee received an offer from the Li's to purchase his 50% interest in the two LLC's which resulted in a shift of the burden of selling the real estate to the Li's and allowed the Trustee to receive the sum of \$20,000.00 to distribute to the creditors of this estate. Time was spent by Much Shelist drafting a motion to sell the Trustee's interest in the Debtor's membership interests in the LLCs and appearing in Court on same. Upon completion of the sale, Much Shelist attorneys drafted a Bill of Sale and provided same to the Li's.

The individuals who provided services in connection with the Disposition of Assets and the time expended by them are as follows:

Attorney	Hours	Rate	Total
Norman B. Newman	1.50 hrs.	\$640.00/hr.	\$960.00
Norman B. Newman	12.10 hrs.	\$655.00/hr.	7,925.50
Jeffrey L. Gansberg	1.60 hrs.	\$450.00/hr.	720.00
Jeffrey M. Schwartz	4.90 hrs.	\$600.00/hr.	2,940.00
TOTAL	20.10 hrs.		\$12,545.50

D. Claims Administration/Analysis (Tab No 4.): A total of .20 hours of time was spent communicating with counsel for Toyota Motor Credit regarding the allowance of Toyota's claim as an unsecured claim for distribution purposes.

The individual who provided services in connection with the Administration of Claims and the time expended by him is as follows:

Attorney	Hours	Rate	Total
Norman B. Newman	.20 hrs.	\$655.00/hr.	\$131.00
TOTAL	.20 hrs.		\$131.00

E. Tax Issues (Tab No 5.): A total of 1.00 hour of time was spent by Norman B. Newman communicating with the Trustee's accountant regarding tax consequences from the sale of the Trustee's interest in the Debtor's membership interests in the LLCs. Time was also spent reviewing and transmitting federal and state tax returns.

Attorney	Hours	Rate	Total
Norman B. Newman	1.00 hrs.	\$655.00/hr.	\$655.00
TOTAL	1.00 hrs.		\$655.00

F. Fee Matters (Tab No. 6): Much Shelist expended total of 2.10 hours of time dealing with the preparation of Much Shelist's and the Trustee's Accountant's final fee applications.

Attorney	Hours	Rate	Total
Norman B. Newman	2.10 hrs.	\$655.00/hr.	\$1,375.50
TOTAL	2.10 hrs.		\$1,375.50

9. During the time period covered by this Application, Much Shelist incurred out-of-pocket expenses in the amount of \$367.10. Attached hereto as Exhibit "C" is an itemization of Much Shelist's out-of-pocket expenses. The charge for photocopies is 10¢ per page. Facsimile charges are billed at the rate of \$1.00 per page, incoming and outgoing. Much Shelist asserts that

these out-of-pocket expenses were reasonable and necessary expenses incurred in its representation of the Trustee.

10. By reason of the foregoing, Much Shelist states that it is entitled to a final award of compensation and reimbursement of out-of-pocket expenses for services rendered to the Trustee in this matter.

11. Much Shelist recognizes that the Trustee is not holding sufficient funds on hand to pay the requested compensation amount in full. Much Shelist is willing to accept payment of the funds remaining after payment of the Trustee's Accountants, awarded Trustee's Compensation, and a five percent (5%) distribution to allowed unsecured claims.

WHEREFORE, Much Shelist, P.C. respectfully requests that this Court enter an Order as follows:

1. Granting this Application and awarding Much Shelist final compensation in the amount of \$19,814.00 plus reimbursement of out-of-pocket expenses in the amount of \$367.10 for services rendered during the period September 27, 2016 through June 12, 2018.

2. Authorizing the Trustee to pay Much Shelist the amount awarded forthwith as a Chapter 7 expense of administration of this estate; and

3. Granting such other and further relief as this Court deems just and appropriate.

Respectfully Submitted,

Much Shelist, P.C.

By: /s/Jeffrey L. Gansberg
One of Its Attorneys

Jeffrey L. Gansberg ARDC # 06242943)
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**IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE:)	
	)	Chapter 7
JOHN T. LI,	)	Case No. 16-24660
	)	Hon. Timothy A. Barnes
	)	Hearing Date: Tues., August 7, 2018
Debtor.	)	@ 10:00 a.m.

COVER SHEET FOR APPLICATION FOR PROFESSIONAL SERVICES

Name of Applicant:	Much Shelist, P.C.
Authorized to provide professional services to:	Norman B. Newman, Chapter 7 Trustee
Date of Order Authorizing Employment:	October 5, 2016
Period for which compensation is sought:	September 27, 2016 through June 12, 2018
Amount of fees sought:	\$19,814.00
Amount of expense reimbursement sought:	\$367.10
Retainer previously received:	\$0.00
This is a(n):	Interim Application <input type="checkbox"/> Final Application <input checked="" type="checkbox"/>

Prior fee applications:

Date Filed	Period Covered	Total Requested (Fees and Expenses)	Total Allowed	Any Amount Ordered Withheld
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The aggregate amount of fees and expenses *paid* to the Applicant to date for services rendered and expenses incurred herein is: \$0.00

Dated: 7/16/18

MUCH SHELIST, P.C.

By: /s/Jeffrey L. Gansberg